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THE GDR ECONOMIC PLAN FOR 1951
AND ITS FULFILLMENT DURING THE FIRST QUARTER

The following information is from the Berlin monthly periodical *Statistische Praxis*, No 5, May 1951 except where indicated otherwise.

The German Democratic Republic's Economic Plan for 1951, enacted into law on 14 March 1951, is to provide the basis for the successful completion of the Five-Year Plan. Along with a general acceleration of progress in all branches of the economy, the current year's plan is to concentrate its chief efforts on the expansion of the production program, of raw-material sources, and on the removal of bottlenecks. The principal missions of the plan are set forth in the following 13 points:

1. An increase over 1950 of 17.9 percent of the GDR's gross industrial production [see Table 1].
2. A 9-percent increase, compared with 1950, of the gross agricultural production, to be accomplished by extending the area of cultivation and by increasing per hectare yields and the number of livestock, [see Table 2] etc.
3. Acceleration of the mechanization process and improvement of production methods of people-owned industries.
4. Domestic production of goods which heretofore had to be imported.
5. Sixty-percent expansion of foreign trade, primarily with the USSR, the People's Democracies, and the People's Republic of China, with special emphasis on increased imports of raw materials and foodstuffs.
6. A 14.7 percent increase over 1950 of industrial labor efficiency in people-owned and equally essential private industries, training of young workers in technical skills, and on-the-job training of workers and employees of the people-owned economy [see Table 3].

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7. A 38-percent expansion, compared with 1950, of the total scope of state-sponsored investment projects in connection with production facilities, the construction of housing, and buildings for cultural and public-welfare institutions. Available capacities are to be utilized to the fullest extent. New investments will be concentrated on key industrial enterprises, transportation, agriculture, and the production of goods not heretofore available in the GDR [see Table 4 and 5].

8. Distribution and consumption of raw materials, auxiliary materials, electric power, and fuels on a principle of extreme economy and by using rational norms of consumption.

9. Utilization of scientific research findings, inventions, and improvement suggestions. Science and research will be devoted chiefly to the introduction of new industrial products, the improvement of production methods, and the opening up of new sources of raw materials.

10. Lowering of production costs in people-owned industries by 5.7 percent; lowering of construction costs in the people-owned building industry by 7 percent.

11. Maintenance of strict discipline in adhering to the state's budget and financial plans.

12. Raising of the living standard by increasing production, improving quality, lowering HO (state-owned retail stores) prices, putting the piecework wage system into effect, and making available 1.7 billion Deutsche marks for the improvement of the public health system, and 1.8 billion Deutsche marks for the advancement of culture [see Table 6, 7, 8, and 9].

13. Raise the level of efficiency of the entire educational system by the adaptation of progressive precepts. Educational institutions will support the fulfillment of the economic plan by developing a progressive, democratic culture.

Toward the fulfillment of these tasks, the 1951 Economic Plan calls for the development of the following areas: industry, agriculture, water supply, forestry, transportation, postal and telecommunications, investments, research and technology, geological exploration, manpower, lowering of production costs of people-owned industries, foreign trade, distribution of goods, sales turnovers, standard of living, manual trades, cooperative economy, public health, and advancement of youth and culture.

In industry, all efforts are to be concentrated on the development of heavy-machine building, the power economy, steel production, and mining, as well as construction of shipyards.

The following are the 32 most important investment projects under the plan [this list is from the Berlin daily newspaper Taegliche Rundschau, 11 April 1951]:

Volkswerft Wismar (People-Owned Shipyards), Wismar
Warnow-Werft (Warnow Shipyards), Warnemuende
Dieselmotorenwerk (Diesel-Engine Plant), Rostock
Kranbau Eberswalde (Lifting-Machine Works), Eberswalde
LEW Hennigsdorf (Locomotive and Electrotechnical-Equipment Works)
Hennigsdorf
TRO BERLIN (Transformer Plant), Berlin-Oberschoeneweide
Schwermaschinenbau Wildau (Heavy-Machine Building Works), Wildau
Foerderbruecken- und Geraetebau (Conveyer and Lifting-Equipment Plant),
Lauchhammer

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Goerlitzer Maschinenbau (Machine-Building Works) Goerlitz
Union Werkzeugmaschinenfabrik (Union Machine-Tool Plant), Gera
Zahnschneidfabrik Modul (Modul Gear-Cutting Works), Chemnitz
Huettenwerk Doehlen (Metallurgical Plant), Doehlen
Stahl- und Walzwerk Riesa (Steel and Rolling Mills), Riesa
Eisen- und Stahlwerk Groeditz (Iron and Steel Works), Groeditz
Eisenhuettenkombinat OST (OST Metallurgical Combine) Fuerstenberg/Oder
Stahl- und Walzwerk Brandenburg (Steel and Rolling Mills), Brandenburg
Stahl- und Walzwerk Hennigsdorf (Steel and Rolling Mills), Hennigsdorf
Bergman-Borsig, Berlin
Nileswerke (Niles Works), Berlin and Chemnitz
Kupfererzbergbau (Copper-Ore Mining Combine), Mansfeld and Sangerhausen
Foerderanlagen Leipzig (Conveyor Equipment Plant), Leipzig
Kalk- und Zementwerk Ruedersdorf (Lime and Cement Works), Ruedersdorf
Sodafabrik Stassfurt (Soda Factory), Stassfurt
Kraftwerk Elbe (Elbe Electric Power Plant), Sachsen-Anhalt
Kunstseiderwerke Premnitz (Artificial Silk Mills), Premnitz
Zellstoff und Zellwollwerk Wittenberg (Cellulose and Cellulose Fiber Plant),
Wittenberg
Zellstoffwerk Wilhelm Pieck (Wilhelm Pieck Cellulose-Fiber Plant), Schwarze
Berlin University
Halle University
Leipzig University
Technische Hochschule Dresden (Dresden Institute of Technology)

Allocations of 110 million Deutsche marks for research and development
and 63.1 million Deutsche marks for geological investigations are also provided
for by the plan.

FIRST-QUARTER FULFILLMENT

In its first quarterly report on the fulfillment of the 1951 Economic Plan,
the State Planning Commission of the German Democratic Republic reported the
achievements and shortcomings encountered in various branches of the economy, as
related to the completion of planned quotas, as follows:

Industry

While the people-owned industry is held largely responsible for the progress
of industrial production, it is pointed out that the combined output of private
industry and of the cooperatives has also increased by 8 percent over the first
quarter of 1950. During the first 3 months of 1951, the target for gross in-
dustrial production was fulfilled 105 percent. In the case of certain essential
products, plan fulfillment considerably exceeded the above percentage.

Production of black coal, iron ore, rolled products made of nonferrous
metals, motor-vehicle tires and tubes, ammonia and phosphate fertilizers, photo-
graphic and motion-picture film, diesel engines and machine tools, agricultural
machinery, artificial silk, and woolen fabrics, on the other hand, failed to
come up to planned quotas [see Table 10 and 11].

Agriculture

Because of the damp weather, 31 percent of the goal for the sowing of summer
crops was fulfilled for summer grain, but only 10.8 percent of the goal for olea-
ginous crops. Because of additional tractors and workers made available by the
machine rental stations, it was possible to carry out large-scale agricultural

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operations despite unfavorable soil conditions. As the result of delayed deliveries of raw phosphates, the distribution of phosphate fertilizers could not be carried out as planned. [see Table 12].

Transportation

During the first quarter of 1951, the planned quota for average daily freight-car loadings was met, and the target for repairing freight cars was exceeded [see Table 13].

Investments

Only 9.7 percent of planned investments were carried out during the first quarter of 1951, although the monetary value of investment operations showed a rise of 9.4 percent over the same period in 1950 [see Table 14].

Manpower

The number of workers employed by people-owned industries showed a sharp rise during the first quarter of 1951. Most placements occurred in heavy industry and machine building [see Table 15].

Foreign Trade

According to information received to date, the foreign trade of the GDR during the first quarter of 1951 showed a considerable increase over the same period in 1950. The proportion of trade exchanges with the USSR and the People's Democracies rose. The USSR supplied chiefly crude iron, rolled products, grain, meat, and fats.

During the first quarter of 1951, trade with West Germany amounted to 49 percent of the total for the comparable period in 1950.

Retail Sales and Food Supply [Consumers' Goods]

Retail sales showed a 127.5 percent rise in monetary value, compared with the first quarter of 1950. Private business is responsible for a large proportion of the retail sales turnover.

Production increases, lowering of HO prices, social measures enacted by the government, the discontinuance of rationing grain and leguminous crops and most textiles, as well as a considerable increase in meat and fat rations during the past year, are responsible for the rise in consumption.

Cultural Development and Public Health

Judging from early indications, the plan for cultural development is progressing as scheduled.

Building operations for public health structures, which were begun in 1950, have been continued without interruption. However, work on the new projects specified in the 1951 plan has not materialized as scheduled because of inefficient planning.

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The number of physicians in the public health service has been further increased. Additional students have been enrolled at schools for male and female nurses, midwives, and medical technicians and assistants.

Table 1. Quotas for Gross Industrial Production
Under the 1951 Economic Plan

<u>Industry</u>	<u>In % of 1950</u>
Total gross industrial production	117.9
Including:	
Power	115.3
Mining	108.9
Metallurg	114
Machine building	125.2
Electrical	119.8
Precision instruments and optical	156.2
Chemical	112.6
Building materials	122.9
Wood-processing	100.6
Textile industry	116.3
Leather, shoe, fur, and clothing	109.2
Cellulose and paper	110.2
Printing	110
Production of timber, bark, and resin	93.2
Food	128
Handicraft trades	110.3

Table 2. Agricultural Plan for 1951

Total area of cultivation in the GDR: 5,100,900 hectares
Gross agricultural production: 109% (1950 equals 100)

<u>Crop</u>	<u>1951 Yield in % of 1950 Yield</u>	<u>Yield per ha (kg)</u>
Grains and leguminous plants	105.9	2,700
Oleaginous plants	102.8	1,750
Sugar beets	105.0	3,000
Potatoes	102.0	1,960
<u>Livestock</u>	<u>In % of 1950</u>	
Cattle	107.9	
Cows	111.8	
Hogs	111.7	
Sows	134.8	
Sheep	129.1	
Ewes	129.6	
<u>Animal Product</u>	<u>In Kg</u>	
Annual milk yield per cow (3.2% butterfat content)	2,400	
Average slaughter weight of hogs	112	
Average slaughter weight of cows	215	

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Machine Rental Stations In % of 1950

(Total number to be reached in 1951: 540)

Tractors available	144.0
Average performance per tractor	106.2

Funds Made Available in 1951 for: Million Deutsche Marks

Construction of homesteads for new farmers	300.0
Loans to new farmers	145.0
Soil improvement (66,000 ha)	32.9
Plant protection and crop dusting	23.6

<u>Forestry</u>	<u>Type Land</u>	<u>In Ha</u>
Afforestation	Barren	80,000
Reforestation	Thinned-out stands	20,000

Table 3. Productivity of Industrial Labor,
Production Costs, and Increase in Manpower

1951 Plan In % of 1950

Average productivity of industrial labor	114.7
Production cost of people-owned industry	94.3
People-owned building industry	93.0
Production cost of people-owned agriculture	94.5

Increase in Manpower In % of 1950

(Additional workers to be integrated into industry
during 1951: 330,000)

People-owned industry	
Number of workers	115.5
Average income	111.4
Proportion of women employed (1951 : 32%)	128.0
Proportion of young <u>youth</u> workers (1951 : 14.4%)	145.0

Table 4. Investment Plan for 1951

<u>Item</u>	<u>In % of 1950</u>
Total investments	138
Including:	
Heavy industry	157
Machine building	148
Light industry	125
Transportation	150
Postal and telecommunications	168
Agriculture and forestry	114
People-owned trade	130
People-owned housing	178
Popular education	135
Youth and sports activities	162
Public health and social welfare	152

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<u>Item</u>	<u>In Million Deutsche Marks</u>
General repairs (people-owned enterprises)	297
General repairs (installations not subject to amortization)	484
Removal of rubble, including Berlin	100

Table 5. Transportation Plan for 1951

Total transportation performance (in million ton-km)	21,277
Rail	
Total performance (in million ton-km)	18,600
Daily average freight-car loadings (in % of 1950)	112
Turnaround time per freight car (days)	3.65
Repair of freight cars (in % of 1950)	127
Repair of passenger cars (in % of 1950)	103
Water	
Total freight shipments (in million tons)	10.9

Table 6. Increase in Consumption of Shoes and Clothing Under the 1st Plan

<u>Per Capita Consumption of</u>	<u>In % of 1950</u>
Textiles	133
Leather shoes	112
Knit sportswear	121
Knit underwear	163

Table 7. Data on Youth Training Under the 1951 Plan

Total investments for youth and sports activities:
60 million Deutsche Marks

<u>Item</u>	<u>Unit</u>	<u>1950</u>	<u>1951</u>
Youths apprenticed in people-owned and private industry	No	503,000	626,000
Including girls	%	28	35
Duration of apprenticeship	Yr	2.7	2.5
Accommodations in apprentice housing units	No	14,360	25,460
Students enrolled in trade schools	No	32,850	42,200
Including girls	%	--	39

Table 8. Data on Cultural Improvements Planned for 1951

<u>Item</u>	<u>In % of 1950</u>
Teachers in day nurseries and kindergartens	120
Students in secondary schools (Oberschuler)	106
Vocational students	109
Students in industrial trade schools	150
People's and industrial libraries	127

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Additional educational facilities to be provided in 1951	No
Day nurseries and kindergartens (accommodations)	15,745
Elementary schools (rooms)	1,310
Enrollments in Volkshochschulen (people's institutes of advanced education)	58,000
Minimum <u>[additional?]</u> enrollments in workers' and farmers' courses	10,000
Stipends to be allotted (to minimum <u>[additional?]</u> number of student	25,400
Enrollments in vocational schools for <u>[additional?]</u> training of skilled workers	94,500
Additional teachers to be assigned to elementary and secondary schools	3,600

Table 9. Public Health Facilities Under the 1951 Plan

Planned target by 31 December 1951	No
Hospital beds	190,000
Midwives	1,000
Students enrolled in intermediate medical schools	7,140
Medical students	4,500
To be added during 1951	
First-aid stations	180
Polyclinics	10
Midwives	574
Social-welfare workers (female)	2,100
Special children's departments	20
Medical students	345
Rural dispensaries	53

Nursing and social-welfare personnel is to be increased by 33.3 percent, as compared with 1950.

Table 10. Fulfillment of Industrial Plan, First Quarter 1951

Item	In % of 1st Qu 1950
Electric power	109
Gas	121
Black coal	109
Brown coal	113
Briquettes	111
Copper ore	118
Potassium salts	104
Crude iron	103
Steel ingots	164
Rolled steel	163
Copper	149
Equipment for metallurgy and mining	113
Conveying and lifting equipment	134
Passenger cars	236
Agricultural machinery	140
Tractors	145
Bicycles	126

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<u>Item</u>	<u>In % of 1st Qu 1950</u>
Electric motors	132
Transformers	146
Sulfuric acid	122
Sodium hydroxide (caustic soda)	119
Automobile tires	126
Cement	122
Glass	112
Roofing felt	105
Bricks	132
Mine timber	179
Artificial silk	136
Cellulose wool	113
Cellulose for textiles	131
<u>Consumers' Goods</u>	
Textiles	140
Stockings and socks	132
Footwear (total)	120
Including leather shoes	136
Sugar	148
Flour	111
Meat	278
Margarine	175

Table 11. Gross Industrial Production,
First Quarter 1951

<u>Industry</u>	<u>In % of Planned Quota</u>
Total production	105
Power	100
Mining	102
Metallurgy	104
Machine building	110
Precision instruments and optical	110
Electrical	84
Chemical	109
Building materials	100
Wood-processing	115
Textile	104
Leather, shoe, and clothing	112
Cellulose and paper	100
Printing	81
Timber	99
Food	101

Production of Specific Products

Brown coal	104
Copper ore	104
Rolled steel	108
Copper	124
Equipment for metallurgy and mining	121
Conveying and lifting equipment	107
Cement	115
Glass	110
Sawn timber	106
Sugar	108

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Table 12. Tractors and Fertilizer Made Available,
First Quarter 1951

<u>Tractors</u>	<u>Increase Over 1st Q1 1950</u> (%)
MAS (machine rental stations)	49.2
People-owned farms	43.7
<u>Fertilizer</u>	<u>In % of 1951 Quota</u>
Nitrogen	74.2
Potash	96.0

Table 13. Freight Moved by Rail,
First Quarter 1951

	<u>Increase Over 1st Qu 1950</u> (%)
Total freight car loadings	17.5
Coal and coke	12.8
Building materials	27.0
Wood	5.4
Metals and ores	51.9
Scrap metal	20.7
Food industry	20.5
Transportation performance	16.0
Turnaround time of freight cars	decrease 15.7
Daily running time of locomotives	6.7
Freight traffic	2.4
Passenger traffic	

Table 14. Fulfillment of 1951 Investment Plan,
First Quarter 1951

<u>Recipients of Funds</u>	<u>In % of Planned Quotas</u>
Coal industry	12.4
Metallurgical industry	12.1
Machine building industry	14.8
Stones and earths industry	14.9
Building industry	14.8
Water supply systems	11.9

Table 15. Employment of Industrial and Agricultural Manpower,
First Quarter 1951

	<u>Increase Over 1st Qu 1950</u> (by no of persons employed)
People-owned industry	
Skilled workers	42,000
Apprentices	70,000
Machine rental stations	65.3 (in %)
Per-capita increase in labor productivity	8.4 (in %)

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